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STATE OF CALIFORNIA
Office of the Auditor General

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SACRAMENTO, CA 95814

Thomas W. Hayes
Auditor General

October 26, 1987

P-747

Honorable Art Agnos, Chairman
Members, Joint Legislative
Audit Committee
State Capitol, Room 3151
Sacramento, California 95814

Dear Mr. Chairman and Members:

We reviewed the Department of Fish and Game's (department) program for issuing deer hunting tags in Zone X5b, which is located in the mid-eastern part of Lassen County. During the 1987 public drawing for deer hunting tags, the department followed its procedures for distributing tags for Zone X5b. In addition, we found that from calendar year 1984 through calendar year 1987, the number of applications for deer hunting tags exceeded the quota for tags established by the Fish and Game Commission (commission) by approximately 13 to one. However, while reviewing the department's records of deer killed in Zone X5b for 1985, we found that the department had issued 17 more deer hunting tags than were issued at the public drawing. According to the acting director of the department, as a result of our review, the department has initiated a departmental investigation to determine if illegal activities took place and to proceed with appropriate legal action if there is sufficient evidence to do so. The preliminary investigation disclosed that in 1985 there were irregularities in the department's distribution of 10 of the 17 deer hunting tags that we questioned. The chief of the Licensing and Revenue Branch stated that the department implemented formal procedures in 1986 for controlling the number of deer hunting tags issued after the public drawing. Finally, although we received allegations that some hunters had obtained deer hunting tags for Zone X5b for the last six years, our review did not substantiate the allegations.



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Background

The commission and the department are responsible for protecting and conserving the fish and wildlife resources in the State. The commission has general regulatory powers that include the authority to determine the time and length of the hunting seasons. In addition to general hunting seasons, the commission may also establish special hunting seasons. For example, the commission may establish special buck hunts in various locations throughout the State and special equipment hunts such as archery hunts. Special hunts have a limited number of deer hunting tags that are issued by public drawing. The commission also has the authority to establish the quota of game animals that can be killed each year and the authority to establish the methods of killing the game animals. The department is responsible for administering the State Fish and Game Code and for ensuring that fish and wildlife are preserved for the use and enjoyment of the public.

The commission has divided the State into zones for hunting deer to control the number of hunters allowed in specific areas of the State and the number of deer that can be killed in each area. In California, for the deer hunting season of 1987, the commission established 41 zones, one of which is Zone X5b, located in the mid-eastern part of Lassen County. Attachment 1 shows the location of Zone X5b in relation to other hunting zones in the State.

Scope and Methodology

The purpose of this audit was to review the department's procedures for issuing deer hunting tags for the general hunting seasons in Zone X5b. To determine the department's procedures, we interviewed personnel and reviewed records at the department's Licensing and Revenue Branch, the Wildlife Management Division, and the Lassen Wildlife Management unit at Honey Lake. We also viewed the department's public drawings for deer hunting tags in 1987. Furthermore, we interviewed individuals who had alleged that the public drawing process contained inequities.

To ensure that the department's records concerning the hunters who received deer hunting tags for Zone X5b were accurate, we compared the names and addresses on the tag applications that were selected at the public drawings with the names and addresses of the hunters listed by the department as having received tags from 1984 through 1987. We restricted our review to these four years because, according to the chief of the Licensing and Revenue Branch, the department maintains records of the hunters who receive deer hunting tags during the public

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drawings for only four years. Therefore, records before 1984 are not available. Also, to determine if other deer hunting tags were being used in addition to those tags recorded by the department's Licensing and Revenue Branch, we obtained the names and addresses of hunters who reported that they had killed deer in Zone X5b.

From the files of the 2,331 hunters who received deer hunting tags during the review period, we identified the hunters who received tags for more than one year. We then determined whether there was a probability that some hunters might be selected more than once given the average number of applicants applying for deer hunting tags each year. Furthermore, from the department's personnel records, we determined whether any of the applicants receiving deer hunting tags in more than one year for Zone X5b were employees of the department.

Finally, we determined that the department also issues deer hunting tags in Zone X5b through the Cooperative Deer Hunting Area program and the Private Lands Wildlife Management Area program. However, we did not attempt to verify that the department was complying with the laws concerning these programs. We listed hunters obtaining deer hunting tags in more than one year through the public drawing process, and we excluded from our review hunters who may have obtained tags through either the Cooperative Deer Hunting Area program or the Private Lands Wildlife Management Area program. A description of these two programs is presented in Attachment 2.

The Distribution of Deer Hunting Tags for Zone X5b Through the Public Drawing Process

Each year, the Fish and Game Commission (commission) establishes the quota of deer hunting tags that the department can issue for each deer hunting zone. Section 371 of Title 14 of the California Administrative Code requires that the department distribute these tags to limited deer hunting areas such as Zone X5b through public drawings unless otherwise authorized.

Before a public drawing, the department must have the deer hunting tags printed. Because the department's Licensing and Revenue Branch must order the deer hunting tags from the printer each year before the commission establishes its final quota, the Licensing and Revenue Branch estimates the number of tags that will be required based on the number used in the prior year and any changes in the hunting zones. According to the supervisor of the Licensing Order and Issuance unit,

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the department orders more deer hunting tags than its estimated quota to compensate for any changes in the quota, to replace lost or damaged tags, and to cover any clerical errors such as issuing a hunter a tag for the wrong zone. The department also orders extra deer hunting tags to use as models when tags for the following year are ordered from the printer. The printer consecutively numbers the deer hunting tags, and, according to the chief of the Licensing and Revenue Branch, when the Licensing and Revenue Branch receives the tags, it inventories the shipment to confirm the order. The chief also stated that the boxes of deer hunting tags are then labeled to indicate the number of tags in each box and the zone to which they apply. According to the supervisor of the department's License Order and Issuance unit, the department implemented procedures in 1986 that allow only two people access to the deer hunting tags for limited hunting zones from the time that the tags are inventoried until the time that they are issued to hunters or destroyed at the end of the hunting season.

The department's Licensing and Revenue Branch receives all applications for deer hunting tags issued through public drawings. In addition to filing individual applications, a group of hunters may apply for deer hunting tags by filing joint applications. Section 371(e)(1)(A) of Title 14 of the California Administrative Code allows a maximum of six applicants to file jointly for deer hunting tags for any zone or special season that has a quota of 100 tags or more.

For the 1987 hunting season, the department received 1,000 tags for Zone X5b. Of the 1,000 tags, 551 were used to fill the quota for the public drawing for the general deer hunting season, one was used to correct a department error, and 2 were issued to hunters qualifying for tags in the Cooperative Deer Hunting Area program. As of September 24, 1987, we confirmed that 446 tags remained in the department's storage area.

In 1987, the department followed its procedures for issuing tags for Zone X5b through the public drawing process. Applications that were correctly completed and received by the deadline of July 7, 1987, were sorted according to the applicant's first choice. On the application forms, an applicant can list up to six zone choices in the order of the applicant's preference. To determine if a drawing was required, the department's staff counted the applications the day after the deadline for submitting applications. If fewer applications are received than the quota of deer hunting tags for a specific hunting zone, all applicants are mailed tags. For Zone X5b, however, the number of applications for deer hunting tags exceeded the quota, and the

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department held a public drawing. To prepare for the public drawing, the department packaged applications for the zone, sealed the packages, and stored them at the Licensing and Revenue Branch.

During the public drawing, department personnel opened the packages of presorted applications in public view and placed the applications into an opaque rotatable drum. Members of the public who stated that they had not submitted applications for that particular zone were asked to draw the applications from the drum. When an application was removed from the drum, the application was handed to a member of the department's staff who then read the name of the applicant and the city of the applicant's residence. If a package of joint applications was pulled from the drum, the name of the first applicant, the city of the applicant's residence, and the number of hunters in the party were announced. Next, the applications that were selected were submitted to a second department member who monitored the number of applicants selected to ensure that the department did not exceed the quota, verified that applications were for the correct zone, and separated jointly filed applications that were stapled together. A third department member stamped each application with a number according to the order that the application was drawn from the drum. At the conclusion of the public drawing, the applications were boxed, resealed, and removed for processing by the department's staff.

The Demand for Deer
Hunting Tags in Zone X5b

For Zone X5b, for each year of the review period, Table 1 shows the number of applications for deer hunting tags, the quotas for tags, and the number of tags issued by the department. For each year of the review period, Table 1 also shows the quotas for deer hunting tags as a percentage of the number of applications received.

TABLE 1
**NUMBER OF APPLICATIONS FOR DEER HUNTING TAGS,
QUOTAS FOR TAGS, AND THE NUMBER OF TAGS
ISSUED IN ZONE X5b
CALENDAR YEAR 1984 THROUGH CALENDAR YEAR 1987***

<u>Year</u>	<u>Number of Applications</u>	<u>Quota</u>	<u>Quota as a Percent of Applications</u>	<u>Number of Tags Issued</u>
1984	7,716	600	7.8	604
1985	8,066	650	8.1	671
1986	8,120	500	6.2	507
1987	<u>7,303</u>	<u>550</u>	7.5	<u>552</u>
Total	<u>31,205</u>	<u>2,300</u>		<u>2,334</u>

* Table 1 presents data for the general deer hunting seasons only and does not include information concerning archery or special hunting seasons.

Table 1 shows that, in 1987, 7,303 hunters applied for deer hunting tags while the quota of tags for the year was only 550. Therefore, for this period, one of 13 applicants had the opportunity to receive a deer hunting tag for Zone X5b.

In addition, Table 1 shows that more deer hunting tags were issued each year than the quota established by the commission. However, the chief of the Licensing and Revenue Branch stated that the quota may be exceeded when a group of hunters applying jointly for deer hunting tags is selected on the last draw. For example, in 1987, the quota was exceeded for Zone X5b because the last draw at the public drawing was a group application that contained one application more than the established quota. Also, the department's policy is to issue additional tags to hunters when the department makes an error in selecting the tag recipients. For example, in 1987, the department issued a tag to a hunter who claimed that he had filed jointly with a group that had been selected. The supervisor of the License Order and

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Issuance unit determined that the application had become separated from the group application so the department issued a tag to the hunter.

The Number of Deer Hunting
Tags Issued in 1985

In 1985, the deer hunting tags issued by the department exceeded the quota by 21. The files in the Licensing and Revenue Branch indicate that, through the public drawing process, the department issued 4 deer hunting tags above the quota for Zone X5b. Further, by reviewing the department's records of deer killed in 1985 in the zone, we found that the department had issued 17 additional deer hunting tags in Zone X5b. Six of the 17 deer hunting tags were obtained by hunters who had exchanged their tags from other zones for tags for Zone X5b. Another of the 17 tags was obtained by a hunter who claimed he was eligible for a replacement tag. The department's records did not indicate the reasons for the tag exchanges. According to the acting director of the department, as a result of our review, the department has initiated a departmental investigation to determine if illegal activities took place and to proceed with appropriate legal action if there is sufficient evidence to do so. The preliminary investigation disclosed that in 1985 there were irregularities in the department's distribution of 10 of the 17 deer hunting tags that we questioned. One of the 10 hunters obtained deer hunting tags in two of the four years. The chief of the Licensing and Revenue Branch recalled instances of hunters claiming that they had submitted their applications jointly with other applicants who were selected in the public drawing. The chief also said that some of the applications that were filed jointly and that should have been stapled together in a package had inadvertently separated during the public drawing. In these cases, additional tags were issued to the hunters.

Finally, the chief stated that the department did not have formal procedures before 1986 for issuing deer hunting tags. She also said that the department implemented formal procedures in 1986 for controlling the number of deer hunting tags that are issued. For example, according to the chief, to ensure that the department can determine when one or more applications are accidentally separated from a group application, the department notes the number in the group on each application submitted as part of a group. In addition, the department stamps the date that each application is received.

Hunters Receiving Deer Hunting
Tags in More Than One Year

In four cases in which hunters were alleged to have received deer hunting tags for several consecutive years, we determined that all four hunters had received tags only twice from 1984 through 1987. None of these four hunters are among the 10 hunters whom the department is investigating. Furthermore, our review of the department's records shows that, from 1984 through 1987, the number of hunters who were successful in obtaining deer hunting tags more than once for Zone X5b fell within the ranges of expected probability. From 1984 through 1987, the department received 31,205 applications for the 2,331 tags that it issued for Zone X5b. The total number of applications for the four years represents an average of 7,801 applications annually. Assuming that the same 7,801 hunters applied for deer hunting tags in each of the four years, it is probable that no hunters would be selected for all four years. If 7,801 hunters applied for deer hunting tags each year, 12 hunters could be selected in three of the four years. Finally, 224 hunters could be selected twice in the four years. Our calculations do not consider the possibility that applications that are filed jointly may be selected more or less often than single applications.

Our review disclosed that from the 2,331 tags issued by the department from 1984 through 1987, no hunters received deer hunting tags in all four years, 11 hunters obtained tags in three of the four years, and 102 hunters obtained tags twice in the four years. Therefore, the number of hunters who received deer hunting tags in more than one year fell within the ranges of expected probability. Finally, of the 113 hunters who received deer tags in Zone X5b twice or more from 1984 through 1987, only one hunter was an employee of the department. The employee's application was drawn in 1984 and again in 1987; the employee was not involved in the department's public drawing process.

Conclusion

For the 1987 public drawing for deer hunting tags, the Department of Fish and Game followed its procedures in distributing the quota of tags that the Fish and Game Commission established for Zone X5b. In addition, from calendar year 1984 to calendar year 1987, the number of applications for deer hunting tags exceeded the quota of tags established by the Fish and Game Commission by approximately 13 to one. For example, during 1987, 7,303 hunters applied for deer hunting tags while the quota of tags for this period was only 550. However,

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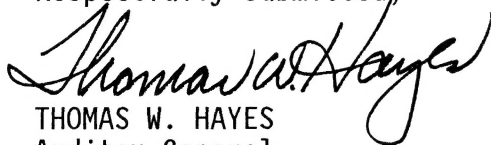
while reviewing the department's records of deer killed in Zone X5b for 1985, we found that the department had issued 17 more deer hunting tags than were issued at the public drawing. According to the acting director of the department, as a result of our review, the department has initiated a departmental investigation to determine if illegal activities took place and to proceed with appropriate legal action if there is sufficient evidence to do so. The preliminary investigation disclosed that in 1985 there were irregularities in the department's distribution of 10 of the 17 deer hunting tags that we questioned. The chief of the Licensing and Revenue Branch stated that the department implemented formal procedures in 1986 for controlling the number of deer hunting tags issued after the public drawing. Finally, from the 2,331 deer tags issued by the department from 1984 through 1987, no hunters received deer tags in all four years, 11 hunters obtained tags in three of the four years, and 102 hunters obtained tags twice in the four years. Hunters receiving deer hunting tags in more than one year fell within the ranges of expected probability.

Recommendation

To determine the method by which the 10 deer hunting tags were inappropriately distributed in 1985, we recommend that the Department of Fish and Game request that the Attorney General or another appropriate investigative agency conduct a criminal investigation of the individual or individuals involved in the inappropriate distribution.

We conducted this audit under the authority vested in the Auditor General by Section 10500 et seq. of the California Government Code and according to generally accepted governmental auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,

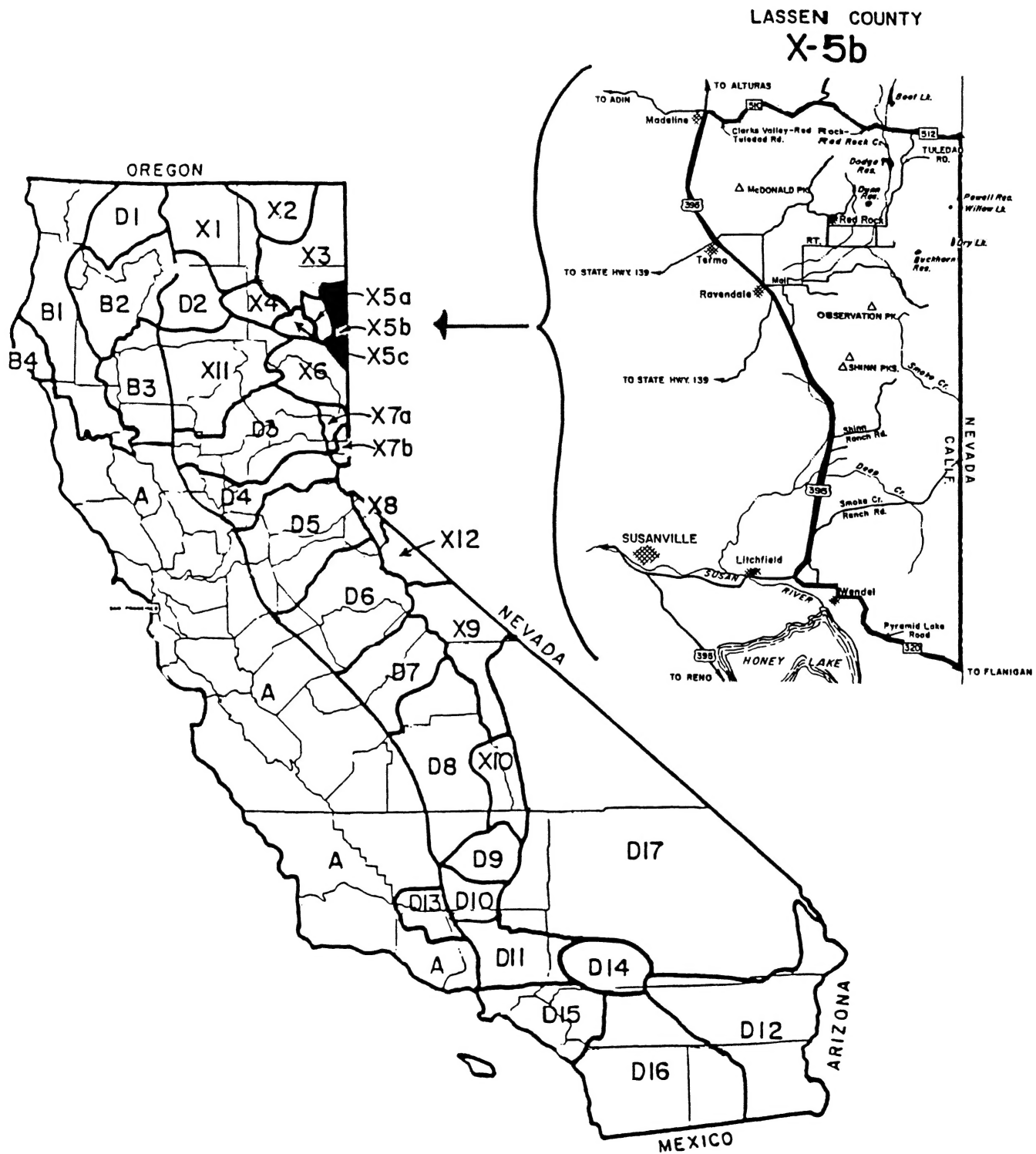

THOMAS W. HAYES
Auditor General

Attachments

Department of Fish and Game's response to this report

ATTACHMENT 1

HUNTING ZONES IN CALIFORNIA
LOCATION OF ZONE X5b



**OTHER PROGRAMS FOR DISTRIBUTING
DEER HUNTING TAGS TO HUNTERS**

Cooperative Deer Hunting Program

Section 554 of Title 14 of the California Administrative Code allows the Department of Fish and Game (department) to provide deer hunting tags to landholders "to encourage the protection and enhancement of critical deer habitat" and "to provide greater access for the public to hunt" on private properties. A critical deer habitat is an area that is essential for the continued survival of a deer herd. Before the deer hunting season of 1987, landowners as well as lessees could qualify for a deer hunting tag under the Cooperative Deer Hunting Area program by owning or leasing at least 640 acres in an area designated by the department as a critical deer habitat. After a landholder or lessee had applied for a deer hunting tag and the department had verified that the lands included critical deer habitat, the department could issue each applicant one deer hunting tag for each deer hunting season. However, no more than two applicants may request tags for a given parcel of land. Under this program, the department issued 17 tags in 1985 and 15 tags in 1986 to persons hunting in Zone X5b. For the deer hunting season of 1987, Section 554 of Title 14 of the California Administrative Code was amended to no longer allow lessees to qualify for deer hunting tags under the program. The department issued only two tags under the Cooperative Deer Hunting Area program in 1987.

Private Lands Wildlife
Management Area Program

Section 601 of Title 14 of the California Administrative Code allows the department, with the Fish and Game Commission's (commission) approval, to consign deer hunting tags to the landowners licensed under the Private Lands Wildlife Management Area program. The purpose of this program is to encourage the propagation, conservation, and wise use of wildlife resources on private lands by offering incentives to private landowners who improve the habitat for wildlife on their land. To qualify for the program, a landowner or designee submits to the department an application with a fee and a management plan. The plan, which can list, among other items, the number of deer that can be killed on the property, is approved by the department and the commission to ensure that the proposals contained in the plan will benefit the game. After the commission approves the plan, the department notifies the applicant how many deer hunting tags it will

send. Unlike the deer hunting tags provided to hunters through the public drawing process and the Cooperative Deer Hunting program, tags consigned to participants through the Private Lands Wildlife Management Area program may be sold or given to hunters by the landowner. According to staff in the Wildlife Management Division and Licensing and Revenue Branch, 1985 was the first year the program participants used land in Zone X5b. In 1985, one rancher was consigned 12 deer hunting tags. In 1986, three ranchers were consigned 44 tags, and, in 1987, six ranchers were consigned 84 tags. According to the assistant chief of the Wildlife Management Division, two of the properties for which deer hunting tags were consigned in 1987 extend beyond the boundaries of Zone X5b. We are presently conducting an audit of the Private Lands Wildlife Management Area program.

Memorandum

To : Mr. Thomas W. Hayes
Auditor General
Office of the Auditor General
660 "J" Street, Suite 300
Sacramento, CA 95814

Date : October 22, 1987

From : **Department of Fish and Game**

Subject : Department of Fish and Game Response to Draft Report Entitled "A Review of the Department of Fish and Game's Program for Issuing Deer Hunting Tags for Zone X5b"


The Agency Secretary has requested that the Department respond directly to you regarding the subject audit. We have concluded our review of your draft report entitled "A Review of the Department of Fish and Game's Program for Issuing Deer Hunting Tags for Zone X5b". Although we have no specific remarks regarding the information contained in the text of the report, we wish to make the following comments.

In our review of the ten tags identified during the course of your audit which could not be attributed to the public drawing process, we discovered what appeared to be an irregularity in the issuance of tags for X5B during 1985. As a result of this finding, we have initiated a departmental investigation to determine if illegal activities took place and to proceed with appropriate legal action if there is sufficient evidence to do so.

We were pleased to see that your audit revealed no irregularities during 1986 and 1987. We believe that this is attributable to the development and implementation of formal procedures after the 1985 drawings. Under the current program, the inventory for X5B and other restricted zone tags is closely monitored. Tags issued correspond in number to the order in which an applicant was selected during the drawing, and the inventory is checked daily during the course of the tag issuance process. Also, the inventory is documented and verified by a supervisor.

In addition to the above procedures, we have built in other controls to separate duties so that any one employee does not have access to the various methods which exist for tag issuance. For example, only specific employees are authorized to issue exchange or duplicate tags. Once a zone has reached quota each exchange or duplicate tag is approved by a supervisor, and as in the case of regular zone tag inventories, these inventories are closely monitored. While we believe our current procedures are sound, we will review them prior to the 1988 hunting season. Also, we will build in a review of the "kill records", which are currently used for resource management, into our deer tag issuance and control procedures.

Please contact Edward O. Willis, Assistant Director of Administration at 445-4840 or Olga Carmichael, Chief, License and Revenue Branch at 739-3555 if you have any questions or wish additional information.


Pete Bontadelli
Acting Director

cc: Gordon K. Van Vleck, Resources Agency